

Grand Isle Supervisory Union

School Board

Monday, November 26, 2018 at 6:30 p.m.

Location: North Hero Education & Community Center

Minutes

Board Present: Joyce Tuck, Bridget Brisson, Nathan Robinson, Melanie Henderson, Bentley Vaughn, Tim Maxham, Chet Bromley, Michael Inners, Mason Maltais (via phone, arrived at 7:34pm)

Community Present: Rick Brigham

Administration Present: Michael Clark, Robert Gess

Mason Maltais called the meeting to order at 6:40 pm via phone

Adjust the Agenda

Mason added audit engagement letter, add an action item to allow Melanie Henderson to facilitate meeting, and report from Grand Isle board about member change

Mason made a motion via phone to have Melanie Henderson facilitate tonight's meeting in her capacity as Board Clerk, Nathan seconded

Roll call vote: Mason Maltais in favor via phone, Michael Inners in favor, Melanie Henderson in favor, Nathan Robinson in favor, Tim Maxham in favor, Bentley Vaughn in favor, Bridget Brisson in favor, Chet Bromley in favor, Joyce Tuck in favor. Motion passed 9-0.

Michael Inners reported that he is the new member representing GI, and Gary will be representing the CIUUSD

Citizens and/or Staff to be Heard

None

Tim Maxham motioned to approve the minutes from 10/25/2018, with the addition that Bentley Vaughn participated by phone and Gary opened meeting as vice chair, and that Melanie had the authority to facilitate the meeting in her capacity as board clerk. Nathan Robinson seconded.

Roll call vote: Mason Maltais in favor via phone, Michael Inners abstained since he was not present, Melanie Henderson in favor, Nathan Robinson in favor, Tim Maxham in favor, Bentley Vaughn in favor, Bridget Brisson in favor, Chet Bromley in favor, Joyce Tuck in favor. Motion passed 9-0.

Administration Reports

Superintendent Michael Clark shared his report, including:

- Director of Student Support Services has been posted.
- Update on hearing from lawsuit: Hearing on November 16. At the hearing, the temporary injunction and section the Title 16 references were withdrawn. Case now is strictly about violation of open meeting law and judge is taking dismissal under advisement and will issue judgement in written form.
- Acknowledge progress of GISU staff. 60% of staff started in July, 30% in second year, and remaining 10% is starting the third year. Everyone at office is positive, upbeat, and willing to meet

a challenge. Every project is new and many times we are creating systems to get things done. Work is becoming smoother and more predictable.

Rob Gess has provided most recent budget to actuals as a financial report.

- Training for new chart of accounts happening next week. Finance team is attending this training next week. We are scheduled to transition July 1, 2019. Being proactive in switching over to new chart of accounts by attending trainings.
- On track with GISU operating cost and special education will likely over-spend.

Tim Maxham motions that the budget to actuals has been received for Nov 26, 2018. Bentley Vaughn seconded. Mason Maltais in favor via phone, Michael Inners in favor, Melanie Henderson in favor, Nathan Robinson in favor, Tim Maxham in favor, Bentley Vaughn in favor, Bridget Brisson in favor, Chet Bromley in favor, Joyce Tuck in favor. Motion passed 9-0.

Board Business.

Rick Brigham with Sullivan Powers & Co. reviewed audit process and findings of the fiscal year 2017 audit. Primary focus on audit report. Was able to provide an unqualified opinion. Material findings: Reconcile balance sheet accounts and update to occur on a regular basis. Special education reports and tying back to general ledger and trial balances. Having a review process to verify amounts to prevent errors. Controls over accounts payable put into place. Health insurance reconciled and accruals correct. Significant deficiencies: fixed asset/ capital asset accounting process updated. Federal awards and income verification related to hot lunch program put into place. Bentley Vaughn made a motion to accept audit as presented, Tim Maxham seconded, all in favor. Motion passed 9-0.

Melanie Henderson reviewed the audit engagement letter and read the last paragraph that included fee for the work to be completed. Action: accept audit engagement letter and allow Mason to sign: Mason Maltais made a motion to accept the audit engagement letter and to allow him to sign as Board Chair, Nathan Robinson seconded, all in favor. Motion passed 9-0.

Rob Gess passed out the second draft of the FY 20 budget. Michael Clark gave an overall picture of the proposed budget. Michael Clark suggested to view as two separate budgets: Supervisory Union general office expenditures, and cost of special education. Michael Clark reviewed the increase of health insurance by 12%, and increase in Director of Curriculum FTE change in grant-funding, salary increases for not only central office, but those also completing special services, employee benefits increase due to more employees enrolling in insurance than previously, and non-personnel costs increased. Left in the cost of accounting software, even though we will be switching to state accounting system. Second part is what it costs to run special education. Every October SU must create service plan. FY 20 service plan created this October, working under FY19 service plan. 15 extraordinary costs budgeted for FY19, there were 26 total in FY 19. Forecasted 15, and there were actually 22. Michele Weaver has forecasted 22, and there are 23 right now in the district. Transportation costs are very high within special education as well. Going to overspend in transportation costs projected right now.

Rob Gess discussed line items and took questions from board members. Discussion took place regarding the HRA and benefit costs. Technology refresh on the GISU, 60% of the equipment is over five years old, leasing agreements have been discussed. Revenues will not be sent to us until late December to add into the budget. Overall it is a 20% increase.

Melanie Henderson assessed that board either needs to pass budget or offer guidance as to what needs to be looked into. Board asked Rob if there is any significant areas where there can be budget cuts. Michael Clark reiterated that any surplus will negate any deficit. Concern voiced that one town is not represented. Mason Maltais reiterated that following Robert's Rules, this board is authorized to take full authorization. Members of town not represented need to contact their board members if they feel they are not being fully represented. Noted that the majority of increase is driven by increase in high-cost students and related to a reimbursement not currently shown in a line item.

Mason Maltais motioned to approve the Special Education FY20 expenditure of \$4,040,042.81, Nathan Robinson seconded, all in favor. Motion passed 9-0.

Michael Inners motions to approve the GISU operating budget of \$1,707,153.41, Mason Maltais seconded, all in favor. Motion passed 9-0.

Michael Clark shared that CIUUSD still interested in spending some off the transition grant funds for renovations for the central office space. Most options are being looked into for cost comparison. Michael meeting with modular office company tomorrow. CIUUSD does not feel it can bring GISU a \$250,000 project.

Michael Clark reviewed current residency verification process. Once residency established, there is no more paperwork and it is not verified again. It is monitored by Director of Student Support Services throughout the year. Michael Clark is proposing a change in process. This process will be reviewed by each individual town as well to be voted on at their next meeting. The proposed process includes residency verification will be sent to each family in December of this year, to be returned by the end of January. Michael reviewed drafted documentation. If forms not returned, families and schools will be notified that tuition will not be paid. Then in June of 2019 and each year after, families will need to fill out and return residency verification forms prior to tuition being paid. If a family moves, registration and verification will need to be completed again. This will be mailed to parents. Michael Inners makes a motion to have SU implement residency verification verification process as presented, Tim Maxham seconded, all in favor. Motion passes 9-0.

Attorney with Lynn, Lynn, and Blackman requested Don Van Nostrand and Andy Julow come to office for meeting ahead of scheduled court appearance time at 11:30 am and were dismissed from court at 2:45 pm. Neither are currently employed/ associated with GISU.. Discussion took place regarding payment for their time. Subject tabled until next meeting.

Next Agenda

Presentation from special ed director
Tracking of audit findings (update)
Compensation for required lawsuit attendance

Mason Maltais motioned to enter executive session to evaluate a public employee, Nathan Robinson seconded. All in favor. Board entered executive session at 9:20 pm.

Board exited executive session at 9:40 pm.

Mason Maltais made a motion to offer a 3-year contract to Michael Clark, with 0% increase in rate of pay for FY20 (equal salary), 2% increase in rate of pay for FY21, and 4% increase in rate of pay for FY22.

Furthermore, the contract will be signed by the GISU board chair. The motion was seconded by Nathan Robinson. All voted in favor. Motion passed 9-0.

Michael Inners made a motion to designate the January 24th, 2019 GISU meeting as a full board meeting. The motion was seconded by Tim Maxham. All voted in favor. Motion passed 9-0.

Nathan Robinson made a motion to adjourn at 9:43 p.m. The motion was seconded by Bentley Vaughan. All voted in favor. Motion passed 9-0.